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Japanese Management in Southeast Asia*

Japanese Management in Indonesia

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I Difficulties of Japanese Business Management in Indonesia

The management of Japanese joint-ventures in Indonesia has not been found easy. Of the eight Asian countries covered by our survey; namely, Korea, Taiwan, Hong Kong, the Philippines, Thailand, Malaysia, Singapore and Indonesia, only Korea and perhaps Thailand presented greater difficulties to Japanese managers. This may be surprising

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to many Japanese non-businessmen, because on the personal level many Japanese who have been to Indonesia talk yearningly about their stay there and their contact with Indonesian people. But those who have had any serious working relations with Indonesian businesses or government offices usually have a different view.

Almost all the Japanese top managers interviewed reported a variety of serious problems with employees; for instance, they often had to give elementary industrial training to newly employed workers. Some managers with experience in other ASEAN countries had no hesitation in saying that difficulties were more serious in Indonesia than elsewhere. This has several implications.

1. Most workers have little experience of working in modern industrial factories where standard discipline is taken for granted.

2. Japanese joint-ventures in Indonesia often build factories and plants for new manufacturing industries, so that novice workers have to learn the new types of production processes even if they have come from other modern establishments.

Although per capita GDP has risen considerably in Indonesia, this is largely due to the contribution of the oil sector. The manufacturing industries are still under-

developed.¹⁾ One question in our questionnaire shows that Indonesia has the lowest percentage of locally procured parts among eight countries, and that the Japanese top managers are very dissatisfied with this low percentage situation as Table 1 shows.

Table 1 Percentage of Local Procurement

| | Percentage of Local Parts | Percentage of Dissatisfied Managers |
|-------------|------------------------------|---|
| Indonesia | 39.3 | 70.0 |
| Malaysia | 47.2 | 57.7 |
| Philippines | 39.7 | 64.7 |
| Singapore | 46.7 | 72.1 |
| Thailand | 50.4 | 51.2 |
| Hong Kong | 43.5 | 16.7 |
| Korea | 48.0 | 69.4 |
| Taiwan | 50.0 | 55.8 |

For this reason new management has not only to run its own establishment but also to build up external conditions in which its business can be run. In other words, it also has to prepare the infrastructure for its business. This present lack of infrastructure for business in the Indonesian economy characterizes the difficulty of Japanese management in Indonesia.

Japanese management in Indonesia also experienced difficulties in the form of conflicts with partners and labor relations. Conflicts with partners seemed particularly serious in four of the Asian countries: Taiwan, Korea, Indonesia and Thailand. This can be seen from the replies to Question 17 in our questionnaire survey to top managers. Respondents who had troubles, both minor and seri-

ous (figures in parentheses), with partners on management policies exceeded 20% in these four countries: Taiwan, 27.0 (4.8); Korea, 25.9 (3.4); Indonesia, 24.0 (3.1); Thailand, 21.5 (2.9). Among the ASEAN countries Indonesia is foremost in this respect. The partners of Japanese joint-ventures in Indonesia are typically Chinese Indonesian businessmen or government offices, because most of the "puri bumi" (indigenous Indonesian) businessmen lack the capital to match Japanese investment and cover the 51% of the total paid-up capital.

The types of trouble in partnership seem to reveal underlying tensions between Japanese management and their counterparts. Table 2 shows the breakdowns for the four countries.

It may be instructive to observe the major sources of trouble in these four countries.

The reasons for the contentious nature of

Table 2 Main Causes of Trouble with Partners

| | Taiwan | Korea | Indonesia | Thailand |
|----------------|--------|--------|-----------|----------|
| Personnel | 21(13) | 15(10) | 19(12) | 12(10) |
| Sales | 22(14) | 12(8) | 17(11) | 11(9) |
| Purchase | 12(8) | 14(10) | 14(7) | 11(9) |
| Pricing | 19(12) | 13(9) | 12(8) | 12(10) |
| Investment | 13(8) | 14(10) | 17(11) | 12(10) |
| Tech. Transfer | 14(9) | 18(13) | 11(8) | 11(9) |
| Dividend | 11(7) | 12(8) | 9(6) | 15(13) |
| Wage & Salary | 16(10) | 11(8) | 15(10) | 6(5) |
| Bonus | 13(8) | 9(6) | 10(7) | 4(3) |

(Note) The figures in parentheses are the percentages of the companies which experienced trouble with partners; the total number of reported troubles in each country is: Taiwan 158, Korea 146, Indonesia 153 and Thailand 118.

1) Recent Indonesian economic development is surveyed by two excellent works: [2] and [6]. [6] is available only in Japanese.

Table 3 Main Sources of Trouble

| | Taiwan | Korea | Indonesia | Thailand |
|--------|--------|------------|-----------|------------|
| No. 1. | Sales | Tech. Tr. | Perso. | Divid. |
| No. 2. | Perss. | Perso. | Sales | Perss. |
| No. 3. | Price | Purch. | Purch. | Price |
| No. 4. | Wages | Invest. | Invest. | Invest. |

(Note) Those linked with || are of the same ranking; e.g. in Indonesia sales policy and investment policy were sources of trouble at the same number of companies.

personnel matters and sales-purchase policies in Indonesia seem to be related to the kinds of partnership prevailing there. Government offices often take advantage of a partnership by demanding high positions in the company for their old staff. Japanese managers do not necessarily appreciate the abilities of these personnel, although they sometimes play crucial roles through their contact with government offices. Government offices may demand to expand the dealings with "puri bumi" businesses, but many Japanese managers are often compelled by the reality of business conditions in Indonesia to purchase materials primarily from native Chinese companies and to sell mainly to Chinese Indonesian merchants. If the partners are Chinese Indonesians, then conflicts may arise over the disparity between the government's demands — or the Japanese managers attempt to comply with such demands — and the Chinese partner's view of reality.

Troubles with workers or labor unions are also significant in Indonesia among Asian countries. Of five ASEAN countries, Japanese managers report that Indonesia is only

next to Thailand by a small margin in having troubles with labor unions. Besides these two countries Korea and Malaysia seem to be the places where Japanese managers frequently face the labor troubles. The percentage of companies with troubles among those which reported whether they had troubles with unions or not is as follows: Thailand 26/40 (65%), Korea 29/45 (64%), Indonesia 32/53 (60%), Malaysia 17/30 (57%), the Philippines 8/19 (42%), Singapore 12/31 (39%), Taiwan 19/52 (37%), and Hong Kong 3/12 (25%).

Managers in Indonesia find it hard to deal with labor unions. Perhaps to the surprise of the general reader the percentage of companies with labor unions is highest in Indonesia: 75%, which is followed by Taiwan only with 54%, as Question 33 shows. A number of the managers interviewed reported that they faced unreasonable — from their

Table 4 Main Causes of Trouble with Labor Unions

| | Thailand | Korea | Indonesia | Malaysia |
|-----------|------------|------------|------------|-----------|
| Wages | 19 (73) | 20 (69) | 23 (72) | 8 (47) |
| Welfare | 11 (42) | 9 (31) | 4 (13) | 9 (31) |
| Personnel | 5 (19) | 5 (17) | 10 (31) | 6 (35) |
| Promotion | 4 (15) | 5 (17) | 0 | 1 (6) |
| Work Hour | 5 (19) | 1 (3) | 1 (3) | 2 (12) |
| Holidays | 3 (12) | 2 (7) | 4 (13) | 3 (18) |
| Others | 3 (12) | 6 (21) | 10 (31) | 4 (24) |

(Note) The figures in parentheses are the percentages of the causes for trouble in the total number of companies with trouble. Since most companies marked two causes, the sum of the percentages does not add up to 100.

point of view — demands from labor union leaders.

The causes for trouble with labor unions in Indonesia show certain clear characteristics (see Table 4).

1. The dominant cause is wages and salaries. This is common to Thailand and Korea; but in Indonesia there is less concern with welfare programs, which are the second main causes in Thailand and Korea.
2. The second main cause is personnel matters. This is very different from Thailand and Korea but common to Malaysia.
3. The third cause is holidays. This is not so important in Thailand and Korea but similar to Malaysia.
4. Working hours and promotion seldom become issues in Indonesia, but as Table 4 shows, they are rather important in Thailand and Korea.

All these observations indicate that Indonesia is rather unique in ASEAN five countries from the view-point of management. In fact similar findings are confirmed by other studies given in References at the end.

II Some Characteristics of Japanese Management in Indonesia

The questionnaire survey on which this article is based was conducted in 1983 and processed in the same year. There must have been slightly over 200 Japanese joint-ventures in Indonesia then. Questionnaires were sent to all the companies known to the Jakarta Office of the Japan Overseas Enterprise Association or *Himpunan Usahawan Indonesia Jepang* (Japan Indonesia Businessmen Association) in Jakarta. The questionnaire

schedules for top managers in Japanese (Questionnaire I) were sent to Japanese representatives in the respective companies, whereas the questionnaire schedules for middle managers (Questionnaire II) were prepared in Indonesian and mailed to each company with the request that they be given to average middle managers. These questionnaires and the summary of responses were appended to the previous special issue of *Southeast Asian Studies*.

Replies came back from 80 companies. Sixty-seven top managers replied and 130 local middle managers gave responses. This is an unusually high percentage of returns for this kind of questionnaire survey in Indonesia. The survey did not include the trading companies or bank branches which are not engaged in productive activities, because the purpose of our study was primarily to examine the applicability of the Japanese style of management in manufacturing activities. Respondents may be biased toward the larger enterprises in Indonesia, because the average number of employees in each company, 435, seems to be larger than the mean size of all the Japanese joint-ventures in Indonesia. This does not seem to affect, however, the findings of our survey on Japanese management in Indonesia.

The first characteristic of Japanese management in Indonesia is that workers stay with the companies longer than they do in other countries. Despite the relatively short period since establishment, most workers have stayed almost five years with the companies. Job-hopping is almost non-existent.

This is, first of all, a consequence of the shortage of employment opportunities as

well as the Japanese style of management. The interviews with workers reported in [5] revealed that most Indonesian workers view employment by foreign joint-ventures as a privilege and that they would never think of leaving their companies, except in the unlikely event that they were offered a substantially better chance. Even then, however, their wages or salaries are often not high enough for them to support their families and other dependents. They gladly work over-time whenever the chance is offered.

Secondly, there are government regulations on dismissal in Indonesia which require the negotiations with and the consent of labor unions and local and central labor committees. This may have made it more difficult for Japanese joint-ventures to dismiss the Indonesian employees when they wish to dismiss despite their normal style of life-time employment.

Thirdly, however, it should not be missed that the practice of Japanese management in Indonesia puts greater emphasis on stable employment. This can be seen in the high percentage of the companies emphasizing stable employment and seniority-based wages and promotion (see Questions 18 and 19 in Questionnaire I). It may be interesting to learn that as a measure of employment stabilization, 25% of Japanese joint-ventures have adopted schemes to assist workers to buy houses, which is much higher than in any other Asian country. This may be a policy reflecting and adapted to the poor living conditions of Indonesian workers.

The second characteristic is that the internal training of workers or staff rather than recruitment from outside is given much more

emphasis than in any other country (see Question 16 in Questionnaire I).

Needless to say, the shortages of skilled and semi-skilled workers coexist with an abundance of unskilled workers in Indonesia as in any other underdeveloped country. Particularly in Indonesia among the ASEAN countries this is so serious that internal training and internal promotion must be more widely practiced, and such practices as job-rotation cannot yet be put into effective use for training. Indeed, 64% of the companies emphasize continuous training and good human relations between workers and managers, but only 22% practice job-rotation, and 29% QC circles, for which the figures are more than 46% in other countries.

The third characteristic is that the reward system and promotion in Indonesia put more emphasis on the evaluation of individual merit than in other Asian countries. This can be seen in the replies to Question 24, on differentiation in the wages of workers in the same post owing to job evaluation, Question 30, on promotion, and Questions 31 and 32, on training. On-the-job training is very much emphasized, and despite the distance training in Japan is offered to the same extent as in Taiwan or Korea. This may be a device, matching to a greater variation in workers' abilities to bring up their capacities to the required level in shorter time. On the other hand, welfare programs are much more generous in Indonesia than in other Asian countries. This may be necessary to compensate the lack of social welfare and business infrastructure mentioned above.

III Labor Relations in Japanese

Joint-ventures

Labor relations in Indonesia seem to be rather unique among those in Asian countries. This observation coincides with another study conducted by the Institute of Social Problems which was established by moderate Japanese labor unions (see [1]). Table 5 shows the replies to the question: to which country's labor relations are your country's labor relations similar?

Table 5 To Which Country's Labor Relations Are Your Country's Labor Relations Similar?

| | Japan | US-EC | Asian | Unique |
|-------------|-------|-------|-------|--------|
| Indonesia | 1.9 | 25.0 | 0 | 59.6 |
| Malaysia | 9.3 | 46.6 | 18.6 | 7.0 |
| Philippines | 11.5 | 42.5 | 36.1 | 3.3 |
| Singapore | 26.3 | 18.4 | 10.5 | 36.9 |
| Thailand | 1.9 | 40.7 | 25.9 | 25.9 |
| Hong Kong | 0 | 29.3 | 17.1 | 53.6 |
| Korea | 10.7 | 3.6 | 32.1 | 26.8 |
| Taiwan | 16.3 | 11.6 | 11.6 | 44.2 |

(Note) The remaining percentages are accounted for by "no answer" or "don't know."

It is clear from this table that union leaders themselves recognize the labor relations in Indonesia as very unique rather than similar to any other countries' unions. Since, however, labor relations in Indonesia are still in the formative stage, they may undergo changes in the future as manufacturing industries develop and the supply of semi-skilled and skilled workers increases. In what direction they change has not been indicated by any managers interviewed. At any rate, labor disputes are very frequent in Indonesia as

Table 6 Japanese Managers' Attitudes toward Labor Unions

| | Favor. | Unfav. | Neutr. | Don't Know |
|-------------|--------|--------|--------|------------|
| Indonesia | 51.9 | 9.6 | 26.9 | 9.6 |
| Malaysia | 20.9 | 2.3 | 74.4 | 2.3 |
| Philippines | 23.2 | 44.7 | 32.1 | 0 |
| Singapore | 63.9 | 13.9 | 22.2 | 0 |
| Thailand | 14.8 | 63.0 | 20.4 | 0 |
| Hong Kong | 21.9 | 4.9 | 56.1 | 17.1 |
| Korea | 12.5 | 23.2 | 10.7 | 33.9 |
| Taiwan | 18.6 | 18.6 | 53.5 | 9.3 |

(Note) The remaining percentages represent the "no answer" group.

well as in Thailand. Another finding of the same study [1] is instructive in revealing the different attitudes of Japanese managers toward labor unions in different countries.

The difference between Indonesia and Thailand in the Japanese managers' attitudes toward labor unions is very significant. Thai union leaders are much more critical of management. But the replies to the next question asking the reasons why the company's attitude toward unions is unfav-

Table 7 Why Company Is Unfavorable toward Unions

| | Against Company's Policies | Local Partners' Lack of Understanding | Trouble-making |
|-------------|----------------------------|---------------------------------------|----------------|
| Indonesia | 15.4 | 50.0 | 25.0 |
| Malaysia | 60.5 | 30.2 | 4.7 |
| Philippines | 16.4 | 36.1 | 24.6 |
| Singapore | 13.9 | 50.0 | 25.5 |
| Thailand | 29.1 | 54.6 | 14.5 |
| Hong Kong | 17.1 | 4.9 | 36.6 |
| Korea | 23.2 | 55.4 | 1.8 |
| Taiwan | 34.9 | 30.2 | 14.0 |

(Note) The remaining percentages represent the "no answer" group.

vorable reveal a surprising fact.

It is surprising that the company's unfavorable attitude is primarily attributed to the local partners' lack of understanding about the activities of labor unions rather than Japanese managers themselves or Japanese enterprises' policies. In this point, Indonesian and Thai views coincide. Thus it must be recognized that the role of partners is so important. Perhaps the shortage of appropriate partners lies at the core of these troubles. This amounts to a shortage of entrepreneurship in the developing countries.

IV Responses of Local Middle Managers to Japanese Management

The local middle managers who replied to the questionnaire had in the past changed the jobs on average 2.2 times. While this is true of the middle managers in other Asian countries, those in Indonesia stayed with the Japanese joint-ventures two to three years longer than their counterparts in other ASEAN countries — see Questions 5, 6 and 7 in Questionnaire 11 — and come closer to the period of stay in Northeast Asian countries. This is undoubtedly related to the shortage of employment opportunity discussed in section II and may also be related to the character of their group-consciousness in Indonesia, which we observed in our village survey before.²⁾ It is interesting to note

2) The survey [4] included a study of group-consciousness by collecting the proverbs remembered by farmers in the villages surveyed. The one remembered by most farmers was: Unity is strength, so you have to help each other.

that Malaysian workers seem to show the same tendency compared with Singaporean or Philippino workers.

The motivations for leaving previous employers and moving to Japanese joint-ventures in Indonesia seem to be the same as those in other Asian countries: the first is the better prospect for advancement; the second is the better chance of learning new technologies. This is a strong characteristic of Japanese joint-ventures. Despite criticism of the slow transfer of technology in Japanese joint-ventures, their effort to provide the middle level managers or engineers with good learning opportunities is recognized by their own employees.³⁾

Information about companies is obtained by word of mouth in Indonesia rather than through newspapers, which is more important in other countries (Question 11). A certain degree of nepotism is observed in Indonesia and seems the strongest in Asia.

Indonesian middle managers are, however, less proud of working for their companies than those in other ASEAN countries. What Table 8 shows may be surprising.

The proportion of middle managers who were proud of working for their companies or

3) In the questionnaire survey [3] concerning technology transfer in Indonesia the influence of government policies is much stronger than in other Asian countries, so that initiatives come less from the private sector. Another important aspect of management related to technology transfer is the number of levels between the top and the workers. In Indonesia a typical style is four levels, whereas in the Philippines a typical style is five levels. This proves that managing workers is more difficult in Indonesia than in the Philippines. See [3: 71-77].

Table 8 Pride and Commitment

| | Proud | Committed |
|-------------|-------|-----------|
| Indonesia | 61.3 | 51.2 |
| Malaysia | 75.0 | 75.3 |
| Philippines | 82.0 | 73.3 |
| Singapore | 68.6 | 60.1 |
| Thailand | 82.0 | 68.2 |
| Hong Kong | 27.8 | 61.1 |
| Korea | 41.0 | 72.3 |
| Taiwan | 30.8 | 73.4 |

definitely committed to their companies were lowest in Indonesia of five ASEAN countries, and commitment was even less than in the three Northeast Asian countries (Questions 15 and 16). One surprising finding (Question 23), shown in Table 9, may explain this fact. The question on job-hopping revealed that Indonesian middle managers find nothing objectionable in this practice. Compared with their counterparts in Singapore, where job-hopping is notorious, Indonesian middle managers fundamentally accept job-hopping even more positively. If, therefore, the chance arises, they will think nothing of leaving their companies. This may seem to be contradictory with the group-consciousness mentioned above in connection with village life. It merely shows, however, that the sense of community among the Japanese joint-ventures' employees in Java is still weak, although group-consciousness is stronger than in other ASEAN countries. Such a strong sense of identity with the companies as the one among Japanese employees in Japanese enterprises has not been fostered yet in Japanese joint-ventures anywhere in Asia. It remains to be seen if such solidarity in business enterprises can grow outside Japan.

In this connection it may be instructive to

Table 9 Opinions on Job-hopping

| | Singapore | Indonesia |
|---------------------|-----------|-----------|
| Perfectly All Right | 5.8 | 7.0 |
| Justifiable | 40.7 | 48.1 |
| Too Much Is No Good | 27.1 | 27.1 |
| No Good | 22.5 | 17.8 |

observe that the percentage of middle managers who regard the type of management as "authoritarian" (top-down) rather than "participatory" (bottom-up) is highest in Indonesia and Malaysia among all Asian countries: Malaysia 62.8, Indonesia 61.2, Singapore 54.4, Taiwan 53.6, Hong Kong 48.6, the Philippines 32.4, Korea 30.9 and Thailand 20.8. This seems to show that the standard Japanese style of participatory management is practiced less in Indonesia or is so perceived by Indonesian middle managers. This seems to imply that in Indonesia the initiatives do not come from middle managers; indeed, Japanese top managers reported in interview that they were not necessarily satisfied with this aspect of middle management.

Nevertheless, the communication barriers between Japanese and local staff seem to be less severe in Indonesia than in other countries (Questions 19 and 20). Indonesia is the only country where more respondents denied rather than affirmed the existence of serious barriers. This is consistent with the general impression of many Japanese that they can get along well with most Indonesians in the personal sphere. Even in working relations inside the enterprises the communication between Japanese and Indonesian staff is good. This seems to have little relations to the ease of learning Indonesian, because the same situation does not obtain in Malaysia where the language is

the same; moreover, the language is cited as the primary barrier to communication by those who affirmed such barriers in Indonesia. In the opinions of the top managers interviewed, admission of less communication barriers between Japanese and Indonesian is mainly due to gentle nature of most Indonesians. One revealing finding on this matter may be the data shown in Table 6. Although the attitude of Japanese top managers must be more or less the same in all the ASEAN countries, Table 6 demonstrates that the reaction of labor union leaders to Japanese managers differs very much. Indonesians make a remarkable contrast with Thais in regarding the attitudes of Japanese managers as favorable for labor unions. This difference may be at least partly a reflection of the general public opinions toward Japan in these countries, which may in turn be influenced by the political climate. The political stance of the public opinions toward Japan in Indonesia is certainly better than in Thailand. It seems to require further studies how these public relations are reflected in the intra-firm relations.

The factors responsible for communication barriers between Japanese and other Asian staff in each country (Question 20) are summarized by Table 10.

In every country except for Korea, language is the most important single factor cited as a barrier to communication. However, if similar factors are grouped together as in the table, then the relative weight of language differs in each country. In Indonesia language is still the most important factor, and the other three main categories of factors have more or less the same weight. But in

Table 10 Communication Barriers between Japanese and Local Staff

| | Language | Value Diff. | Sociability | Company's Policies |
|-------------|----------|-------------|-------------|--------------------|
| Indonesia | 45(28) | 36(23) | 38(24) | 41(26) |
| Malaysia | 31(25) | 33(26) | 34(27) | 28(22) |
| Philippines | 65(25) | 94(36) | 42(16) | 60(23) |
| Singapore | 85(27) | 70(22) | 92(29) | 69(22) |
| Thailand | 36(23) | 44(28) | 38(24) | 34(22) |
| Hong Kong | 18(26) | 18(26) | 18(26) | 15(22) |
| Korea | 29(21) | 58(43) | 13(10) | 36(27) |
| Taiwan | 76(31) | 70(28) | 40(16) | 63(25) |

(Note) "Value differences" includes: difference in customs, value differences and religious differences; "sociability" includes: a lack of personal relations outside the workplace between Japanese and local staff and a tendency of Japanese staff to form a closed and exclusive circle; "company's policies" includes: the short duration of stay by Japanese staff in Southeast Asia, and the gearing of Japanese management too much to the head office in Japan. The figures in parentheses are the percentages of the factors in the total number of factors given in the replies. Each respondent was asked to point out three factors.

other countries the relative weights of the different factors vary greatly. Differences in values seem to be the most important factor in Korea, the Philippines and to a lesser extent Thailand. Sociability is not important in Korea, Taiwan and the Philippines. The second most important factor after language in Indonesia is the perception that "Japanese management is geared too much to the head office in Japan." This factor was also pointed out even by some Japanese top managers. Various issues unique to Indonesia may not be understood at the head offices in Tokyo

or Osaka so that Japanese and local staff share common grievances against the head offices.

In general, dissatisfaction with wages and salaries in Southeast Asia is naturally very strong. Indonesian middle managers do not express exceptionally high dissatisfaction, but neither are they satisfied. They are fairly satisfied with their job responsibility, in which respect Korean, Taiwanese and Thai middle managers expressed more dissatisfaction. The top managers interviewed were fairly, but not very, satisfied with the performance of middle managers in their companies. They report a constant struggle to maintain morale in their companies. This remark may correspond to the findings (Question 37) about the incentives needed to motivate the local workers. The middle managers themselves reply that the following incentives are important in this order (the figures show the number of respondents' marks):

1. excellent leadership that encourages teamwork81
2. good human relations61
3. job-enrichment, or interesting work ...54
4. monetary incentive53
5. promotion22
6. self-managing work group11

The emphasis placed on non-pecuniary incentives is more conspicuous in Indonesia than in other countries. The main reason seems to be that careful and kind guidance and watchful attention given to workers, rather than pecuniary motivation to them, are essential in maintaining a constant, smooth flow of work in the factories. The same thing can be said about the effort required to keep up the morale of middle managers.

According to our survey (Questions 26, 27 and 28), human relations are very good and better than in other Asian countries. This must have contributed to high morale in Japanese joint-ventures in Indonesia.

Groupism seems to be well accepted by Indonesian middle managers. They participate actively in group meetings and express their opinions. They hold group meetings with their subordinates regularly or irregularly, on average about 1.2 times a month (Question 32), which is slightly less frequent than in other Asian countries. Such meetings are held mainly to solve problems and set goals (Question 33). Many of them (39%) think that such meetings should be held within normal working hours (Question 34). This percentage is considerably higher than in other countries. On the whole Indonesian middle managers lack the initiative to "motivate" workers to greater efficiency, in comparison with their counterparts in other Asian countries. This may be another reason why the working of the Japanese style of management is difficult in Indonesia and why an adaptation to local conditions is necessary.

Mensualization, or egalitarian principles, in management seems to encounter subtle resistance in Indonesia, where it is less easily acceptable than in other Asian countries (Questions 41 to 45). Indonesians seem to have their own social class-consciousness. For instance, 82% of them accept that there should be "no private offices for managers," but do not necessarily wish to participate in the dinner parties or club activities sponsored by the companies. The percentage of middle managers who prefer not to have lunch with workers in the company canteen is consider-

ably higher in Indonesia than in other Asian countries: Indonesia 38%, Thailand 18%, Singapore 16%, Korea 7%. Indonesians seem to be much more position-conscious and class-conscious than other Asian nationalities. It remains for future studies to ascertain whether this is attributable to Javanese society, or there are significant ethnic differences in this respect.

General Impression on Japanese management are rather favorable (Questions 47 to 52). Indonesian middle managers appreciate team spirit, good human relations with Japanese staff, good chance to learn technology and know-how, and the consensus approach, but as we just discussed, less so mensualization. Indonesian middle managers accept one standard practice of Japanese management, job-rotation, more than their counterparts in other Asian countries but some object to applying it to workers. It is not clear yet whether this is another aspect of Javanese class-consciousness or it reflects their realistic recognition of the great variation in workers abilities.

Indonesian criticisms on Japanese management differ little from those in other countries. Surprisingly most managers (47%) criticize poor training opportunities. This may be an expression of a strong desire to learn more technology or management know-how. But it should be remembered that

about 20% of respondents made no criticisms at all. Then, it may be that we must perceive Indonesians' strong desire to explore potentials behind their gentle or only outwardly effeminate behavior and remarks.

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